



# ***MANUFACTURER PRICING AGREEMENTS***

## ***WORKSHOP*** ***How to file your MPA***

***OCONUS  
plan  
April 28, 2009***



# *Agenda*

- **MPA FUNDAMENTAL ELEMENTS**
- **PRICING REPRESENTATION**
  - **EXAMPLE**
  - **TIPS**
- **PRODUCT PRICING SCHEDULE**
  - Section A: FOB Points**
  - Section B: Excel**
- **MPA EXCEL SPREADSHEET**
  - **EXAMPLE**
- **MPA CHECKLIST**
- **QUESTIONS?**



# *MPA FUNDAMENTAL ELEMENTS*

- Manufacturer & Private Label Supplier information, page 1
- Pricing Representation, page 3, 1.(f)
- Product Pricing Schedule
  - FOB points & initial offered price Attachment 1, Section A, pg 10
  - “EXCEL” Attachment 1, Section B, page 13
- Annual Representations ORCA  
<http://orca.bpn.gov>, pages 17-37



# Pricing Representation

- page 3, 1.(f)
- 1.(f) For a period of two years following the close of the Calendar Year in which prices were offered to DSCP for products covered by this MPA, DSCP reserves the right to request documentation from the MPA Holder demonstrating DSCP's MPA price is equal to or lower than the Company's established tier, bracket, or other method of pricing employed for like or similar customers as DSCP. Such documentation shall include any and all factors comprising price offers that serve to make up the prices or ultimately may have an effect on the prices offered to DSCP by the MPA Holder under this MPA. MPA Holder shall explain their Company's pricing method (see Representations and Certifications paragraph 8) in sufficient detail to allow a DoD auditor to use the statement as the framework for a MPA price audit.



# *Pricing Representation Example*

The Big Food Company  
100 Industrial Parkway  
Smallville, OK 12345

The Big Food Company's (BFC) pricing method used to set the MPA prices, is to place the Defense Supply Center Philadelphia Subsistence Prime Vendor Program purchases in the Big Food Company's Bracket 1 used for all BFC National Accounts (current accounts include IHOP, KFC, Wendy's, etc.). The Big Food Company is offering DSCP FOB Origin pricing as listed on the "BFC National Account Price List" (attached). DSCP is charged the same price as those National Accounts, including the same discounts and rebates afforded those accounts. The pricing is determined and records maintained at the corporate office at 100 Industrial Parkway, Smallville, OK. BFC's price list is updated as needed giving its commercial customer 30 days notice of price changes allowing BFC to comply with the MPA price changes criteria in paragraph 1. (e).



# Pricing Representation TIPS

## ➤ Clearly state:

- DSCP is offered FOB Origin pricing (Destination by exception, only if approved by DSCP)
- The Company's approach to establishing the MPA pricing.
  - How pricing is set for all commercial customers
    - How MPA pricing deviated (or not) from commercial pricing
    - DSCP MPA pricing includes same rebates and discounts given to like commercial accounts and is charged the same
  - Attach commercial and military price lists, if referenced, and explain their relevance to the MPA offered pricing



# *Pricing Representation TIPS (continued)*

## ➤ Clearly State:

- Examples of like customers charged the same pricing
- If DSCP isn't given all the discounts that are given to its commercial accounts in the bracket you've identified. Place DSCP in the bracket that properly fits.
- If your company doesn't publish pricing explain how the current commercial and military pricing is set and how the MPA price will be set and verified by DoD



# Attachment 1

## Section A

- **Yes, you must complete this for each SKU**
  - **Only one time initially**
  - **Or, when you add a new product**

**Product Description:**

**SKU / MFG Code:**

**Pack Size:**

**Manufacturer Price:**

**FOB Point (Name & Address)**

**Van Stuffing available**      \_\_\_ Yes (complete section B)      \_\_\_ No (complete section B)

**Special Markings available** \_\_\_ Yes (complete section B)      \_\_\_ No (complete section B)

**When applicable enter NAPA number for this SKU:**

**Shelf Life:**

**Closed Code Date descriptor (if not open coded):**





# Attachment 1

## Section B

- “Your” EXCEL loads the DSCP mainframe directly
  - Only submit price changes after initial submission
  - Submit 15 working days prior to first Monday of month, or it won’t be loaded
    - Prior months pricing will apply in that case
  - DSCP will advise if it kicks out, and what to fix
  - DSCP will determine submitted pricing Fair & Reasonable



# MPA EXCEL SPREADSHEET

MPA Holder #	SKU	DOD STOCK #	Item NAME	PACKAGING	EXPIRE DATE	PRICE (\$)	UNIT of MEASURE	FOREIGN SOURCE	NAT DEL PRICE	FOB ORIGIN PRICE	MIN ORDER QTY	NET WEIGHT	PALLET CHARGES (\$)	EDGE PROTEC (\$)	SHRINK WRAP (\$)	LABELING CHARGES (\$)	MISC. (\$)	SHELF LIFE (DAYS)	CASE WEIGHT in LBs	CASES PER PALLET	CASES PER CONTAINER	FROZEN CHILLED or DRY	EUROPEAN UNION CERTIFIED	
1000	123-367-BFB	890501E611234	TURKEY LIPS, MESQUITE MARINADE, FRZ 10LB/CS	2/10LB/CS	12/31/9999	19.99	cs	n	n	y	120	10	0.11	0.07	0.05	0.23	0.34	365	10.75	120	2400	F	N	

Reference MPA page 13



# MPA SPREADSHEET

A	B	C	D	E	F	G	H	I
MPA Holder #	SKU	DOD STOCK #	Item NAME	PACKAGING	EXPIRE DATE	PRICE (\$)	UNIT of MEASURE	FOREIGN SOURCE
1000	123-367-BFB	890501E611234	TURKEY, LIPS, MESQUITE MARINADE, FRZ. 10LB/CS	2/10LB/CS	12/31/9999	19.99	cs	n

Ref: MPA pg 13 for EXCEL requirements



# MPA SPREADSHEET

J K L M N O P Q R S T U V W X

(2)

NAT	FOB	MIN		PALLET	EDGE	SHRINK	LABELING		SHELF	CASE	CASES	CASES	FROZEN	EUROPEAN
DEL	ORIGIN	ORDER	NET	CHARGES	PROTEC	WRAP	CHARGES	MISC.	LIFE	WEIGHT	PER	PER	CHILLED	UNION
PRICE	PRICE	QTY	WEIGHT	(\$)	(\$)	(\$)	(\$)	(\$)	(DAYS)	in LBs	PALLET	CONTAINER	or DRY	CERTIFIED
n	y	120	10	0.11	0.07	0.05	0.23	0.34	365	10.75	120	2400	F	N



# MPA checklist

## 1. **Agreement Number:** MPA page 1.

➤ \_\_\_\_\_ Insert your NAPA Holder Number 1234

## ➤ **2. Manufacturer / Supplier Information:** MPA page 1.

➤ \_\_\_\_\_ **A.** If your Company is the manufacturer (or uses co-packers) list yourself under “Manufacturer Information”

➤ \_\_\_\_\_ **B.** If your Company has Private Label agreements with manufacturers list your Company under “Private Label Supplier Information” and list the actual manufacturer under “manufacturer Information”



# MPA checklist

- **3. Pricing Representation:** MPA page 3. Paragraph 1. (f)
- (See Big Food Company example)
- 
- **A.** The representation is attached to the last page of the MPA as an “Additional Representation and Certification” as required by 1.(f.) and 8.(b.)
- **B.** The representation clearly states your company is offering FOB Origin pricing.
- **C.** State how your company handles and establishes DSCP’s MPA account and where DSCP fits into your company’s pricing method or model for its commercial customers.
- 1) If a Military price List is used. The representation must explain how that pricing is deviated from the commercial accounts.
- 2) Placing DSCP’s MPA account into a like category, tier or bracket means all associated rebates and discounts afforded commercial accounts in the same bracket are given to DSCP.
- a. If not, place DSCP in its proper bracket.



# MPA checklist

- **3. Pricing Representation:** MPA page 3. Paragraph 1. (f) **continued**
- **D.** If you state your company does not publish and send out price lists, your representation will require more extensive explanations.
- **E.** Include who maintains your company's records and where they are kept.



# MPA checklist

- **4. Product Pricing Schedule, Section A:** MPA page 10
  - **A.** Fill out only one time with all your company's SKUs for DSCP records.
  - **B.** When adding new products to NAPA & MPA submit Section A data for those new products.
- **5. Product Pricing Schedule, Section B:** MPA page 13
  - **A.** The MPA EXCEL spreadsheet must be filled out exactly as described on page 13.
  - **B.** The EXCEL submission loads the DSCP mainframe directly.





# MPA checklist

- **6. MPA local stock number request form:**  
MPA page 15
  - **A.** Same as NAPA, no change, only included to let new suppliers know how to submit.
  - **B.** All LSN request now must include company's spec sheet and product labels (case & package).
- **7. Annual Representations and Certifications:** MPA pages 17-37
  - **A.** ORCA web [www.http://orca.bpn.gov](http://orca.bpn.gov)
  - **B.** Copy info onto hard copy 17-37 for DSCP files.



# Questions & Answers

